# **Eritrea: What Is That 'No Forced Returns' of Migrants?**

"If not now when should our youth be aided?"

By Teweldeberhan Gebre

## Background



Since the 'no peace, no war' situation has been set by the inept regime in Ethiopia and its sponsors in the State Department, Eritrea has faced major exodus of its youth. Unfortunately, many have perished in the Sahara Desert and the Mediterranean Sea in a bid to cross into Europe for better life, and many became victims of human traffickers in the Sinai Peninsula. It is well known that two factors play for the massive migration of

Eritreans: the push and pull factors. Some of the push factors that force young Eritreans to flee homeland include economic hardships, indefinite national service, and human rights violations such as freedom of movements and lack of occupational choices, etc. There is no misgiving on the push factors that forced Eritreans to leave their homeland. The Eritrean government tried to curve illegal migration through tightening its borders but miserably failed. The government did not try other means to stop or curve the mass and illegal migrations and deserves criticism for its fixation of tightened border surveillances for such a long time as if there were and are other means to try within the Eritrean context.

On the other hand, the last war of aggression in 2000 was an educative lesson for both the inept leaders in Ethiopia and its sponsors in that it is impossible to break the gallant Eritrean Armed Forces through the art of war and direct combats. Being frightened by the 1998-2000 Border War outcomes and to vent its frustration on the then possible counter attacks by the gallant Eritrean Armed Forces, the US hurriedly took the so called border issue to Algiers and was able to avoid further humiliation of its frightened agent in Addis. As a result, the Algiers Peace Agreement was signed between Eritrea and Ethiopia on December 12, 2000. Informed Eritreans strongly believe that the 'no peace, no war' state of affairs that was bent by the terrified regime in Ethiopia and the US administration was meant to break Eritrea into pieces that was not possible through the act of war by denying its youth.

Ever since the border ruling was announced by The Hague based Eritrea-Ethiopia Border Commission in 2013, the US has openly followed a migration policy that encourages illegal, unsafe and disorderly emigration of Eritreans aimed at depriving the country of its youth and weaken Eritrea's defence capability. The US did implement similar policies in Cuba under the 'wet foot-dry foot' policy that allowed any Cuban who set his/her foot in the US was guaranteed a permanent residence. It had the same emigration policy in Eastern Europe encouraging anti-communism elements to escape their homelands using the American NGO called the International Rescue Committee (IRC) which was essentially created for this purpose. IRC was operating in Eritrea implementing water projects here

and there but its main mission in Eritrea was to back the Sudan People's Liberation Army (SPLA) stationed in Eritrea at the time. It is true that all NGOs are not cherubs!

All in all, when the US administration realized that it was impossible to breakdown the gallant Eritrean Armed Forces the US was left with no other option but use its old tactics of depriving Eritrea its talent youth. To some extent the US has succeeded to pull out Eritreans out of their homeland. The story is, in 2002, the US opened its asylum screening post in the Shimalba Refugee Camp located in western Tigray right away in the same year the camp was mounted. At the same time, the US has persuaded its allies in Europe to categorically offer asylums for anyone who claim be Eritrean. Initially, the United Nations Higher Commissioner for Refugees (UNHCR) rejected the idea of building a camp in Tigray because the minimum number of refugees to open the refugee camp was not satisfied as required by the UNHCR standards. However, in order to satisfy the required minimum number of refugees and to open the Shimalba Refugee Camp the TPLF regime quickly collected Tigreans from here and there and camped them in the Shimalba camp pretending they were Eritreans.

At the beginning the US asylum screening and resettlement processes to the US were fast enough intended to pull Eritreans into the camp and since then many more have crossed the border en masse. However, through time Eritrean refugees camped in Tigray realized that actually most of the US resettlement beneficiaries were Tigreans not Eritreans. Disappointed by the US asylum screening conduct and the gradual slowdown of its resettlement program, Eritreans start to flee to the Sudan and from there to Libya in an attempt to cross into Europe as their final destination. In the end, Europe has become a victim of the US old tactics towards allegedly 'unfriendly' countries. It was only recently that member states of the EU have begun to review their asylum policies on Eritreans. They do so because they are worried by the influx of migrants from other countries such as Syria, Iraq, Somalia, Sudan, Ethiopia (of course, in the name of Eritreans), and many other countries. This development in Europe has set a new reality and Europe has to do something about it.

## US's Deceptive Emigration Policy towards Eritrea and EU's Policy Review

Deceived by the US anti-Eritrea stance, until recently, European asylum policies were more 'generous' for Eritreans. However, following the controversial report of the Danish immigration authorities in 2014 Europe's generous asylum policy has slowly begun to change. Particularly, with the recent UK Home Office's report on the human rights conditions in Eritrea, the possibilities to return Eritreans from Europe back to Eritrea is becoming only a matter of time and when. Both reports concluded that Eritreans can be returned home without fear of consequences by the Eritrean Government. In Switzerland Eritrean asylum issue is a recurrent issue in parliament following the visit of some Swiss members of parliaments to Eritrea, or perhaps encouraged by the Denmark and the UK immigration authorities mission reports.

No doubt, other European countries will soon follow Denmark, Britain and Switzerland immigration authorities' preliminary conclusions that Eritrea is not unsafe for returnees. Israel has already returned hundreds of Eritreans of their own accord. No consequences were reported to the returnees

by the Eritrean government. Israel's action strengthens the above two reports by Denmark and British immigration authorities in that no consequences can follow the returnees. Likewise, the Danish and British reports can encourage Israel to further intensify its hold of returning Eritreans.

In addition to the Danish and UK Home Office reports preliminary conclusions there is another reality that compel Europeans to review their Eritrean asylum policies. Many parliamentarians and immigration authorities in Europe are asking a legitimate question of: what does it mean when those former Eritrean asylum seekers go back to their home country once they secured European citizenship? For many of them the answer is the country is safe and nonviolent. Perhaps the most important question is if Eritrea is not prepared to accept forced returns can Europe's asylum policy review on Eritreans work? In my view, it cannot work. It is for this reason that EU in general and its member states in particular have strong stake to dialogue with Eritrea. Should Eritrea undermine this concern of its partners and potential partners? Of course not.

Even if Eritrea insists in its view of 'no forced returns' disorderly returns is not an option and it is not in the best interest of the country at all. We have seen disorderly returns from Israel. Eritrean migrants who voluntarily leave Israel are offered \$3,500 each as incentives. I believe the 'no forced returns' policy of the government of Eritrea will not only expose the country to a disorderly return of migrants but also will complicate its hard won relations with the EU and some of its member states such as the very influential Germany. Unfortunately, the Eritrean authorities are known for setting hard preconditions with limited intent to compromise. With all due respect, this culture has to be changed. There is no doubt in my mind that if the Eritrean authorities fail to pay attention to Europe's concerns on the influx of migrants the economic and diplomatic costs will be huge and damaging. Hence, in order to avoid unnecessary diplomatic damages and to revitalize its economy Eritrea should facilitate viable solutions through creating economic opportunities for its young people.

## Going beyond the 'No Forced Return' Policy

Eritrea should go beyond the policy of 'no forced returns' and prepare for more viable alternatives. The one and critical alternative to curve migration is economic opportunity for young people. Curving migration is in our best interest and that of the European countries. Europe is now desperate by the influx of illegal migrants from Eritrea, Syria, Iraq and many more. Eritrea should not misplace the good partnership it has forged with the EU and should come with an opportune policy outside the 'no forced returns' by the host countries and governments. It is also important to keep the partnership momentum with the EU and some of its member states.

Eritrea should not shy away from appealing for financial and technical assistance for promoting small and medium sized enterprises (SMEs) through available financing instruments. In doing so, proactive actions are required by the Eritrean government. It is understandable that returning migrants should not be done disorderly. Yes, returns of migrants by the host countries and governments should not be forced but based on viable economic opportunities and incentives. Eritrea must be prepared to

negotiate, in the strongest terms possible, for the best interests of the returnees and other vulnerable young people too.

Negotiation terms have to be in the first place outlined, internally conceptualized and developed into actionable schemes and programs to develop SMEs across all sectors. We all know that Eritrea's economy is not only narrow and undiversified but also lacked backward and forward linkages. In order to create viable economic base and create jobs the development of SMEs is critically important. If given the opportunity young Eritreans have the power and talent to make SMEs work for them and their country. If genuinely crafted the development of SMEs can be an excellent start to revitalize the Eritrean economy by diversifying its base and serving as a stepping stone in going up the value-chain which gradually enables the country to compete at the regional and global levels. I trust the EU in general and its members that are thunderstruck by illegal migrants in particular will be interested to cooperate and born all costs to the development of SMEs provided Eritrea comes with fundable schemes and programs to help its young people. Eritrea should not wait its partners to tell her about what is possible and what is not. Instead Eritrea should take proactive roles and prepare to negotiate with the host governments in Europe on the possible financial and technical assistances. Eritrea's negotiators need to be reoriented to effectively negotiate with the host countries' authorities. Furthermore, Eritrea's negotiators need to be reoriented on the cost-benefit of both negotiating parties and need to have the competency to negotiate in the best interests of the returnees, Eritrea and the host countries in Europe.

It is also advisable that our negotiators should include relevant state and non-state entities such as the national bank of Eritrea, the commercial bank of Eritrea, the commercial and housing bank of Eritrea, the ministries of finance and development, and representatives of mass organizations such as the NUEYS, NUEW, the chambers of commerce, and whenever possible resident international NGOs should be involved as well. It is also critical to include young and bright men and women negotiators who understand the situation of their peers more than the old folks. I believe this approach will give leverages and bargaining power for the Eritrean government to effectively and productively negotiate with the host countries and governments in Europe in this initiatives.

#### Access to Finance Schemes for SMEs

As stated above Eritrea should explicitly negotiate with its EU partners on the possibilities of economic opportunities for its young people who are interested in running SMEs ventures and are able to come up with fundable proposals. I believe the EU and its member states must be keen to hear from Eritrea such as the SMEs financing schemes for its youth. Eritrea can ask at a scale the following financing schemes:

<u>Start-up capital:</u> a seed capital fund in the form of grant for young people to start and setup SMEs. It is a small component of the overall SMEs financing to purchase basic tools to setup SMEs businesses. Gradually, grantees need to be linked to the credit guarantee fund and foreign exchange services schemes to further develop their SMEs.

<u>Credit Guarantee Fund (CGF)</u>: is a fund that could be hosted with the National Bank of Eritrea to guarantee loans by SMEs lacking collateral and or security to access traditional banks (the commercial banks of Eritrea, for example) for manufacturing, agricultural, and commercial loans. While the seed capital helps very much for the setting up of SMEs the CGF allows SMEs to access a collateral free or on risk sharing base with commercial banks and that which protects the banks against defaulters.

<u>Foreign Exchange Services (FXS) for SMEs:</u> in developing countries this is a critical service when dealing with international payments, particularly when SMEs have to import key inputs and machineries.

In my humble professional view, hundreds of millions of dollars can be mobilized from the EU and its members, particularly from those member states that hosts or potential destinations for thousands of Eritrean migrants. Evidently, this initiative can be an effective tool to curve economic migration and for sure EU partners have vested interests to invest in SMEs development that has huge potential to stop economic migrations from Eritrea.

While collateral-free credit access to local banks through the establishment of CGF is possible to finance SMEs development it is not enough. With the help of host countries and governments it is also possible to establish a FXS for SMEs with the help of the host countries and governments in Europe. FXS can be grant and long term concessional loan or both. With the availability of the FXS, SMEs will be able to import key inputs and machineries which will also help to revitalize the economy in the directions of regional and global value-chain activities.

In both developing and developed economies SMEs are the lifeblood of an economy, provide jobs and sustainably contribute to the gross domestic product (GDP). If the investment climate in Eritrea is improved and institutional arrangements are made SMEs can play active role in generating growth, creating decent employment, and a lasting solution for illegal migrations. I believe there are huge investment opportunities and potentials in the different sub-sectors including but not limited to irrigation, manufacturing, poultry farming, dairy and fish harvesting and processing, information and communication technology (ICT), energy, artifacts, distribution, wood and metal works, food industry, construction, services, etc.

## **Required Institutional Arrangements for SMEs Development**

In order to take advantages of the new realities in Europe, Eritrea needs to take a proactive stance to change the puzzling migration experience into opportunities through constructive dialogue with the EU and its member states. In my modest view, establishing institutions of SMEs development alone send great message to EU member states. It is a signal of political commitment which I think many countries will be willing drop their money into the different financing instrument coffers. I propose the following institutions of SMEs development for young talented potential entrepreneurs:

<u>National SMEs Development Board:</u> a national authority that oversees, facilitates and proactively support the development, growth and competitiveness of SMEs as an integral part of the national economic development and prosperities.

<u>National Credit Guarantee Corporation (NCGC)</u>: a government scheme that administers the credit guarantee fund financed by the government of Eritrea and its partners/donors. Government will guarantee to pay perhaps 50 percent of the principal outstanding on defaulted SME loans. The guarantee covers lending by commercial banks to all sectors and subsectors. In this regard, the SME-CGC is meant to improve SME access to finance and at the same time enable lending banks to share part of the risk with Government.

<u>Credit Guarantee Fund Trust for Small and Medium Sized Enterprises (CGF-SMEs):</u> is an autonomous entity charged with implementation of the Credit Guarantee Fund (CGF) through provision of technical assistance and advisory services to SMEs and beneficiary banks. The Managing Director of the CGF-SMEs directly reports to the National SMEs Development Board. While the CGC mobilizes and facilitates SMEs access to soft financing the CGF-SMEs implements the Credit Guarantee Fund Scheme for SMEs. Incorporation of CGC is critical because in dealing with multiple sources of Credit Guarantee Funds.

Company Formation Specialists: young people should be assisted with specialists in their formations of SMEs and even large enterprises. Particularly, the legal formations of limited private companies deserve singular treatments and specialist services right away from their setting up and after. Business formation might seem straightforward and simple but it is not. Let alone in countries like Eritrea even in the most developed countries business or enterprises formations need the hands of professionals. In setting up private enterprises the company formation professionals could suggest different structures which would affect taxation and the overall protection of the enterprises. Company formation specialists also play key capacity building roles by educating enterprises and their managers in the development potentials of their enterprises, national legislations, shaping of enterprises memorandum of associations, issuing shares (that they might choose to), etc.

As I sit to write this piece, I was thunderstruck when I read the interview of Yonas Hadera by <u>Asmait Futsumbrhan</u>. I was completely astonished by the talents of our youth. Yonas' inventiveness and creativity are just enormous and terrific, machines after machines. As of now, he has put into uses: leister motor machine (gold-core grinder), bread slicer machine, cement block machine, prosopis treecutting machine, sugarcane grinder, grains harvesting machine, and many more. I congratulate Asmait for letting us know about Yonas and his works, a superbly talented Eritrean. We can ask ourselves, how many things can be done in just one workshop? Can this work be developed into a share company? Of course, yes! Is Yonas the only talent Eritrea has? No! there are many more Yonases if we are watching out news and reports from home.

In their own rights, the above institutional arrangements can serve as attractions for financing and partnership if Eritrea genuinely wants to help its youth and revitalize its economy from the current

standoff. I am not suggesting in any way or form this approach is new in Eritrea. My message, and of course many more Eritreans too, is for the Eritrean government to do it at scale and do it quickly. If not now when should our youth be aided? I believe the above institutional arrangements could serve as steppingstones to help young scientists and entrepreneurs to achieve their dreams and the dreams of all Eritreans.

#### **Conclusions**

In its own right the policy of 'no forced returns' by the Eritrean government is not wrong and or detrimental. However, under no or little economic and business incentives for the returnees and other vulnerable young people back home, no Eritrean migrant in his/her right mind is expected to willingly return and or stay home. Thus, Eritrea need to prepare and take active role in handling migration issues by engaging the EU and its member states. Eritrea should not disappoint the EU member states who are willing to do everything to stop migration from Eritrea. Rather Eritrea should openly negotiate with the EU and its member states considering their immediate concerns and interests. Moreover, Eritrea should avoid the 'wait and see' attitude. If the above proposed financing instruments and institutional arrangements for SMEs are explicitly communicated with the EU and its member states considering their interests to curve migration funding is more than guaranteed.

The benefits of promoting SMEs are enormous and long-lasting for curving migration which is in the interests of Eritrea and its partners in the EU. In this regard, returnees will benefit from the soft-terms of the CGF scheme for SMEs; local banks protect themselves against possible defaults by borrowers and encourages the banks to lend more to SMEs without fearing a default; reduces Eritrea's pressure on foreign currency as SMEs should have access to foreign exchange services funded by host countries and government to import key inputs and machineries; helps Eritrea to revitalize its economy because SMEs contribute to gross domestic products (GDP); expands the current narrow tax base and increases tax revenue; creates more jobs, ensures sustainable and inclusive growth; and curbs further migration making Eritrea beneficiary of its young population in its development ambition.

If Eritrea genuinely and proactively handle the situation, which of course should, the whole illegal migration issues can be win-win outcome for Eritrea and its partners in Europe.

Good Luck Eritrea and Eritreans!